

Corner Store Pilot Program

Update

Recommendation:

That the February 23, 2016, Sustainable Development report CR_3128, be received for information.

Report Summary

The following report provides an update on the Corner Store Pilot Program, which will expand from three to eight sites in 2016.

Report

Background

In March 2014, the Corner Store Program: A Proposal to Revitalize Neighbourhood Shopping Sites in Edmonton's Mature Neighbourhoods report, was received by Executive Committee and supported by Council. The Corner Store program objective is to stimulate local small business growth, enhance access to local amenities and contribute to community building. Administration initiated a pilot program to test the Corner Store Program on a small scale prior to applying it more comprehensively throughout the city.

The pilot program set out to work with three sites varying in size and location throughout the City of Edmonton. Three pilot sites were identified based on the following criteria:

- commercial clustering potential
- demonstrated landowner interest
- site improvement needs (lack of investment in infrastructure)
- marketing strategy needs
- commercial vacancies.

The three current pilot sites are:

1. Ritchie - 96 Street & 76 Avenue – a large sized site
2. Elmwood - 166 Street & 83 Avenue – a medium sized site
3. Newton - 54 Street & 121 Avenue – a small sized site.

Update

The pilot sites are progressing successfully through each stage of the program. Attachment 1 provides an overview of the specific deliverables of each pilot site. Highlights include:

- one retail unit vacancy occupied in Newton Centre
- individual marketing websites launched for each pilot site
- initiating branding for pilot sites as Ritchie Four Corners, Elmwood Centre and Newton Centre
- Façade Improvement Program approvals for three property owners
- lighting enhancements approved for implementation on City right of way for Ritchie Four Corners
- retail market analyses completed for all sites
- conducted multiple one-on-one business support visits for each of the 29 businesses in the pilot sites. Three small businesses are creating customized business growth and expansion plans.

Early Learnings

Over the course of the work with the Corner Store pilot sites, Administration has observed the following outcomes:

- Participation in the Façade Improvement Program by property owners positively influences business owners to participate in business retention and expansion activities.
- Business knowledge enhancement provides a foundation for business owners to actively engage in marketing.
- The public realm enhancement component of the program has been positive in the Ritchie Four Corners project.
- Opportunities for public realm enhancements at the corner store sites are increased when aligned with the Neighbourhood Renewal program.
- Community livability could be increase with a stronger alignment to social development initiatives.
- Developing templates and repeatable program elements contributes to efficiency and Administration capacity to work with additional commercial sites.

Additionally, Administration surveyed over 100 business owners and residents in Ritchie regarding the Corner Store Program. Detailed results are in Attachment 2 and the highlights are listed below:

- 88 percent of business owners feel the Corner Store program is important to their business and are confident the program will positively impact their commercial centre.
- 86 percent of community members feel the program is important to their community.
- 77 percent of community members are confident that the program will positively impact their commercial centre.

These observations indicate that the Corner Store pilot program is achieving its intended outcomes.

Next Steps

Because of the success of the pilot, Administration will now use existing resources to expand the program to five additional sites beginning in the second quarter of 2016. These additional sites will be chosen based on the program criteria and possible alignment with the Neighbourhood Renewal program.

In order to add these sites to the program, Administration will bring a report to Executive Committee in the second quarter of 2016 recommending that the Façade Improvement Program (Policy C216B) boundaries be changed to include the five additional Corner Store sites. \$250,000 per additional site (\$1,250,000 total) has been budgeted in the Great Neighbourhoods capital program to fund public realm enhancements at these sites if needed. This funding is also available to support public realm enhancements to the Petrolia Shopping centre, a Community Economic Development pilot area.

Administration is currently developing a comprehensive evaluation of the Corner Store program, with key indicators to measure and evaluate outcomes. These indicators will be part of an overall performance measurement system that will be used to evaluate and monitor the effectiveness of small business support programs.

Public Consultation

In November 2015, Administration contacted all households and all business operators in the Ritchie neighbourhood through door to door mail drop and telephone to invite them to attend a public engagement session at which a survey was conducted. Surveys were issued to the approximately over 150 attendees and 103 were submitted, for a response rate of 67 percent. The details of the survey are provided in Attachment 2.

Surveys have only been done in Ritchie as the pilot sites in Newton and Elmwood had not been established long enough to be evaluated. A similar survey process will take place in these neighbourhoods beginning in June 2016.

Budget/Financial Implications

There is \$1,250,000 of available funding for public realm enhancements in the approved capital project CM-21-5800 - Great Neighbourhoods Initiative. Area business owners would also have access to the Façade Improvement Program and the Development Incentive Program.

Attachments

1. Deliverables for Corner Store Pilot Sites
2. Ritchie November 2015 Survey Results

Others Reviewing this Report

- A. Laughlin, Acting General Manager, Integrated Infrastructure Services
- R. Smyth, Acting General Manager, Community Services
- T. Burge, Chief Financial Officer and Treasurer